Senate Engrossed House Bill

FILED KEN BENNETT SECRETARY OF STATE

State of Arizona House of Representatives Forty-ninth Legislature Second Regular Session 2010

CHAPTER 198

HOUSE BILL 2609

AN ACT

AMENDING TITLE 41, CHAPTER 1, ARTICLE 2, ARIZONA REVISED STATUTES, BY ADDING SECTION 41-133; RELATING TO PUBLIC OFFICEHOLDERS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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 Be it enacted by the Legislature of the State of Arizona:

Section 1. Title 41, chapter 1, article 2, Arizona Revised Statutes, is amended by adding section 41-133, to read:

41-133. Officeholder expenses: account: reporting: limitations: civil penalty: definition

- A. ANY PERSON WHO HOLDS ELECTED STATEWIDE PUBLIC OFFICE OR A LEGISLATIVE OFFICE IN THIS STATE, WHETHER BY ELECTION OR APPOINTMENT, MAY RECEIVE OR SPEND MONIES TO DEFRAY THE COSTS OF PERFORMING OFFICEHOLDER DUTIES AS FOLLOWS:
- 1. AN OFFICEHOLDER MAY RECEIVE CONTRIBUTIONS PURSUANT TO THIS SECTION ONLY FROM INDIVIDUALS, AND THE MAXIMUM AMOUNT THAT MAY BE RECEIVED FROM AN INDIVIDUAL DURING AN ELECTION CYCLE IS ONE HUNDRED FIFTY DOLLARS.
- 2. THE TOTAL AMOUNT THAT AN OFFICEHOLDER MAY RECEIVE OR SPEND PURSUANT TO THIS SECTION DURING AN ELECTION CYCLE IS NINETY-EIGHT THOUSAND THREE HUNDRED SIXTY DOLLARS FOR THE GOVERNOR, FIFTY-ONE THOUSAND SIX HUNDRED EIGHTY DOLLARS FOR THE SECRETARY OF STATE AND THE ATTORNEY GENERAL, TWENTY-FIVE THOUSAND EIGHT HUNDRED FORTY DOLLARS FOR ALL OTHER STATEWIDE OFFICEHOLDERS AND NINE THOUSAND EIGHT HUNDRED DOLLARS FOR A LEGISLATOR, WHICH MAY INCLUDE PERSONAL MONIES AS PRESCRIBED BY PARAGRAPH 3 OF THIS SUBSECTION. THE SECRETARY OF STATE SHALL ADJUST THIS AMOUNT BIENNIALLY AS PRESCRIBED IN SECTION 16-905, SUBSECTION H.
- 3. AN OFFICEHOLDER MAY CONTRIBUTE UP TO THIRTY PER CENT OF THE LIMITS AS PRESCRIBED BY PARAGRAPH 2 OF THIS SUBSECTION OF THE OFFICEHOLDER'S PERSONAL MONIES TO THE OFFICEHOLDER'S EXPENSE ACCOUNT.
- B. FOR AN OFFICEHOLDER'S FUTURE CAMPAIGN MONIES RECEIVED DO NOT CONSTITUTE A CONTRIBUTION AS DEFINED IN SECTION 16-901 IF THE MONIES ARE RECEIVED, EXPENDED AND REPORTED AS PRESCRIBED IN THIS SECTION.
- C. AN OFFICEHOLDER SHALL ESTABLISH A SEPARATE ACCOUNT FOR OFFICEHOLDER EXPENSES, WHICH SHALL BE SEPARATE FROM ANY CANDIDATE CAMPAIGN ACCOUNT. THE OFFICEHOLDER SHALL FILE A STATEMENT OF ORGANIZATION FOR THE ACCOUNT DESIGNATED AS AN OFFICEHOLDER EXPENSE ACCOUNT. MONIES RAISED OR SPENT FOR OFFICEHOLDER EXPENSES SHALL BE REPORTED UNDER CAMPAIGN FINANCE REPORTING REQUIREMENTS PURSUANT TO TITLE 16, CHAPTER 6, ARTICLE 1.
- D. AN OFFICEHOLDER SHALL NOT USE MONIES IN THE OFFICEHOLDER ACCOUNT FOR CAMPAIGN PURPOSES. PERMISSIBLE USES OF MONIES IN AN OFFICEHOLDER ACCOUNT INCLUDE THE FOLLOWING:
 - 1. OFFICE EQUIPMENT AND SUPPLIES.
 - 2. TRAVEL RELATED TO THE OFFICEHOLDER'S DUTIES.
 - 3. MEETING OR COMMUNICATING WITH CONSTITUENTS.
- 4. EXPENSES FOR INFORMATIONAL AND EDUCATIONAL PURPOSES, INCLUDING SUBSCRIPTIONS TO NEWSPAPERS, MAGAZINES OR OTHER PERIODICALS OR WEBSITES OR OTHER INFORMATIONAL SERVICES, MEMBERSHIP OR PARTICIPATION IN COMMUNITY, PROFESSIONAL OR FRATERNAL ORGANIZATIONS AND PARTICIPATION IN CONFERENCES AND SEMINARS.

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 E. AN OFFICEHOLDER SHALL NOT RECEIVE OR SPEND MONIES FROM THE OFFICEHOLDER ACCOUNT DURING THE PERIOD BEGINNING APRIL 30 IN AN ELECTION YEAR, SHALL COMPLETE THE PURCHASE OR OTHERWISE USE THE ITEM BEFORE APRIL 30 IN AN ELECTION YEAR AND SHALL NOT SPEND THOSE MONIES UNTIL AFTER THE DAY OF THE GENERAL ELECTION. ANY MONIES REMAINING IN THE OFFICEHOLDER EXPENSE ACCOUNT BEGINNING APRIL 30 IN AN ELECTION YEAR MAY NOT BE USED EXCEPT AS FOLLOWS:

- 1. PAID TO THE STATE GENERAL FUND.
- 2. FOR A PERSON WHO CONTINUES TO HOLD OFFICE AS PRESCRIBED IN THIS SECTION, CARRIED FORWARD TO AN OFFICEHOLDER EXPENSE ACCOUNT FOR ANOTHER OFFICE OR TERM OF OFFICE, SUBJECT TO THE LIMITATIONS PRESCRIBED BY THIS SECTION.
- F. AN OFFICEHOLDER SHALL NOT TRANSFER OFFICEHOLDER ACCOUNT MONIES TO ANY OTHER ACCOUNT OR COMMITTEE EXCEPT FOR ANOTHER OFFICEHOLDER ACCOUNT FOR THAT SAME OFFICEHOLDER.
- G. SECTION 41-1234.01 APPLIES TO CONTRIBUTIONS TO AN OFFICEHOLDER ACCOUNT FOR LEGISLATORS.
- H. A PERSON WHO VIOLATES THIS SECTION IS SUBJECT TO A CIVIL PENALTY OF THREE TIMES ANY AMOUNT IMPROPERLY RECEIVED, SPENT OR REPORTED.
- I. SECTION 16-924 APPLIES FOR THE IMPLEMENTATION AND ENFORCEMENT OF THIS SECTION.
- J. ANY MONIES HELD BY AN OFFICEHOLDER PURSUANT TO THE OFFICEHOLDER EXPENSE ACCOUNT RULES ESTABLISHED BY THE CITIZENS CLEAN ELECTIONS COMMISSION ARE SUBJECT TO THIS SECTION, AND THE CITIZENS CLEAN ELECTIONS COMMISSION HAS NO FURTHER AUTHORITY WITH RESPECT TO THOSE MONIES.
- K. FOR THE PURPOSES OF THIS SECTION, "OFFICEHOLDER" MEANS A PERSON WHO HOLDS AN ELECTED STATEWIDE PUBLIC OFFICE OR A LEGISLATIVE OFFICE IN THIS STATE, WHETHER BY ELECTION OR APPOINTMENT.

Sec. 2. <u>Officeholder expense accounts pursuant to citizens</u> <u>clean elections commission rule</u>

Any officeholder with an officeholder expense account established pursuant to rules adopted by the citizens clean elections commission may lawfully continue to keep the same officeholder expense account after expiration of those rules and before the effective date of this act. On the effective date of this act, any person with an officeholder expense account established pursuant to the citizens clean elections commission rules shall comply with this act except that the secretary of state may not take action regarding possible violations that took place under citizens clean elections commission rules.

Sec. 3. <u>Emergency</u>

This act is an emergency measure that is necessary to preserve the public peace, health or safety and is operative immediately as provided by law.

APPROVED BY THE GOVERNOR APRIL 28, 2010.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 28, 2010.